



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Eastern District of Virginia

FOR IMMEDIATE RELEASE

Wednesday, July 1, 2020

Chief Operating Officer Sentenced for \$25 Million Investment Fraud

NORFOLK, Va. – A Florida woman was sentenced today to 10 years in prison and ordered to pay over \$25 million in restitution for engaging in an investment fraud conspiracy that victimized over 300 investors and caused approximately \$25 million in losses.

"Raeann Gibson and her co-conspirators orchestrated and facilitated a massive scheme to defraud mostly elderly investors of approximately \$25 million," said G. Zachary Terwilliger, U.S. Attorney for the Eastern District of Virginia. "In the end, Gibson and her co-conspirators left a wake of financial devastation that wiped out hundreds of vulnerable victims located throughout the country, including massive losses to victims located here in Hampton Roads."

According to court documents, Gibson, 48, of Palm City, along with codefendant Daryl Bank and others, engaged in a conspiracy by which they operated an investment fraud scheme from approximately January 2012 through July 2017 in the Tidewater area and across the country. Gibson, who served as Chief Operating Officer of Dominion Investment Group, and her conspirators engaged in a nationwide fraudulent investment scheme that deceived hundreds of unsuspecting investors – most at or near retirement age – by convincing them to invest in companies owned and controlled by Daryl Bank. At Bank's direction, Gibson then stole outright significant portions of investment funds to fund their criminal enterprise and Bank's lavish lifestyle. For example, Bank caused numerous material misrepresentations and omissions to be made to several investors, including BC, who was blind and in his late 70s at the time he invested \$20,000 of his retirement funds in an investment fraud called Prime Spectrum. Immediately upon receipt of BC's funds, Bank and Gibson misappropriated 70 percent of the investment funds.

Gibson facilitated and supported this scheme in a variety of ways including creating numerous shell companies, laundering investment funds through multiple accounts, and speaking with, and often calming, uncomfortable investors who called with questions about their investments. At Bank's direction, she stole millions of dollars from investors to pay herself and to support Bank's lavish lifestyle. Gibson routinely wired funds to pay for Bank's \$100,000 monthly American Express bills and, in one instance, facilitated Bank's purchase of an 8-carat diamond ring for Bank's wife. This scheme was vast in its scope and defrauded over 300 investors and caused approximately \$25 million in losses.

Combatting elder abuse and financial fraud targeted at seniors is a key priority of the Department of Justice. Elder abuse is an intentional or negligent act by any person that causes harm or a serious risk of harm to an older adult. It is a term used to describe five subtypes of elder abuse: physical abuse, financial fraud, scams and exploitation, caregiver neglect and abandonment, psychological abuse, and sexual abuse. Elder abuse is a serious crime against some of our nation's most vulnerable citizens, affecting at least 10 percent of older Americans every year. Together with our federal, state, local and tribal partners, the Department of Justice is steadfastly committed to combatting all forms of elder abuse and financial exploitation through enforcement actions, training and resources, research, victim services, and public awareness. This holistic and robust response demonstrates the Department's unwavering dedication to fighting for justice for older Americans.

G. Zachary Terwilliger, U.S. Attorney for the Eastern District of Virginia; Martin Culbreth, Special Agent in Charge of the FBI's Norfolk Field Office; Kelly R. Jackson, Special Agent in Charge, Washington, D.C. Field Office, IRS-Criminal Investigation (IRS-CI); and Peter R. Rendina, Inspector in Charge of the Washington Division of the U.S. Postal Inspection Service, made the announcement after sentencing by U.S. District Judge Raymond A. Jackson. Assistant U.S. Attorneys Melissa E. O'Boyle, Andrew C. Bosse, and Elizabeth M. Yusi prosecuted the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 2:17-cr-126.

Topic(s):

Elder Justice
Financial Fraud

Component(s):

[USAO - Virginia, Eastern](#)

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